MANITOBA

ANNUAL REPORT

1981-82

The Manitoba Water Services Board

THE MANITOBA WATER SERVICES BOARD

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The Honourable Billie Uruski,
Minister of Agriculture.

Sir:

I have the honour of presenting herewith the Tenth Annual Report of The Manitoba Water Services Board for the fiscal year ending March 31, 1982, together with the financial statements of the Board for the same period.

Yours respectfully,

E.P. Hudek,
Chairman,
The Manitoba Water Services Board.

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The Manitoba Water Services Board

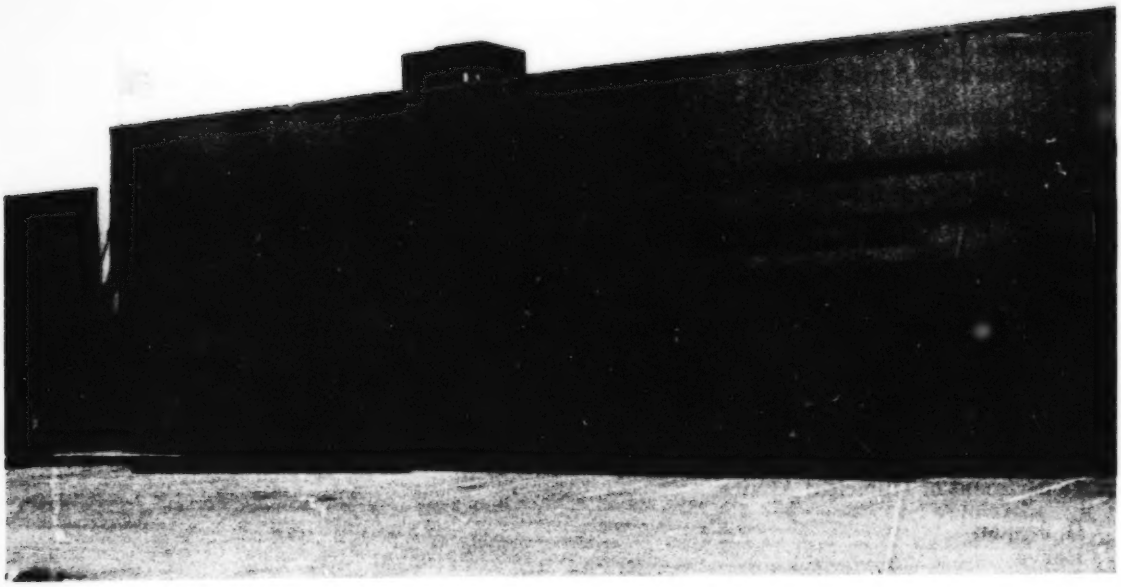
Chairman
E.P. Hudek
Associate Deputy Minister
Department of Agriculture

Vice-Chairman
T.E. Weber
Director
Water Resources Branch
Department of Natural Resources

Members
W.G. Bowen
Assistant Deputy Minister
Environmental Management Division
Department of Environment

F.R. Dennis
Director
Municipal Budgets and Finance
Department of Municipal Affairs

G. Jasper
Reeve
Rural Municipality of Sifton



The Manitoba Water Services Board

In August 1981, the head office of The Manitoba Water Services Board was transferred to 2022 Currie Boulevard, Brandon, Manitoba.

The Manitoba Water Services Board was established in July 1972 under The Manitoba Water Services Board Act to assist in the provision of water and sewage facilities to the residents of rural Manitoba. It replaced the Manitoba Water Supply Board, taking over all responsibilities of the former board including the ownership and the operation of 38 water supply installations in the Province.

The Board is composed of representatives of Manitoba Agriculture, the Departments of Natural Resources, Environment, and Municipal Affairs, and one citizen member appointed in June 1981. It reports to the Legislature through the Minister of Agriculture.

Objectives

The specific objectives of the Board are:

- to obtain supplies of potable water for domestic and other uses within the Province, and the selling of water to municipalities and water districts.
- to acquire or construct, operate and maintain all plants and works necessary to obtain, collect, store, treat, purify and transmit water.
- the transmission of water from a supply source or point of storage to a point of acceptance by a municipality or a water district either within or without the municipality or water district.
- to acquire or construct, operate and maintain works for distribusing water.
- to acquire or construct, operate and maintain sewage collection works.
- to acquire a construct, operate and maintain works for the treatment and disposal of sewage.

The Board can enter in agreements with any municipalities which have become a "declared area" by order of the Lieutenant-Governor-in-Council, under Section 10 of the act. Once an application is received and the Board has made the necessary physical and engineering investigations, an agreement is submitted to the municipality for the construction of new works, extensions, and/or improvements to existing works. The works may be owned and operated either by the Board or the municipality.

After the Municipality has received the necessary Municipal Board approvals and signed the Agreement, the Board, with Treasury Board approval, enters into the necessary contracts for design and construction of the works.

The Board provides financial assistance through loans and provincial grants, and indirectly administers the federal grant provided to those municipalities eligible under the federal-provincial Agricultural Service Centres Agreement.

The share of the capital cost of construction to be assumed by the municipality is set at:

1. the capitalized amount which 20 mills on the equalized assessment produces, plus 50 per cent of the balance of the project cost. Capital debt on an existing utility and monies obtained from sources other than The Manitoba Water Services Board are taken into account in the calculation;
2. for sewer systems only, the limit is the capitalized amount which 8 mills on the equalized assessment produces, plus 50 per cent of the balance of the cost of the works;
3. for water systems only, the limit is the capitalized amount which 12 mills on the equalized assessment produces, plus 50 per cent of the balance of the cost of the works.

Operating costs of the system are recovered by charging a rate per thousand gallons on all treated water sold.

An agreement between The Manitoba Water Services Board and a municipality will vary in length, however, it is long enough to ensure a stable period of operation for the Board works and to guarantee satisfactory water and sewage service to the community.

Since July, 1979, The Manitoba Water Services Board has the added responsibility for the design and construction of water and sewage projects in communities under the jurisdiction of the provincial Department of Northern Affairs. Sixty per cent of the capital cost for projects are covered by the federal government under the Canada-Manitoba Northlands Agreement, Northern Water and Sewer Program.

Summary of Services in 1981-82

Preliminary Investigations

One more municipal corporation was made a "declared area" and the Board received 40 applications for assistance from individual communities during the year.

32 engineering feasibility studies were completed. On the basis of these and previously completed studies, the Board submitted 31 agreements for the construction of water and/or sewer facilities to new applicants. Amendments to existing agreements were submitted to two communities.

Sixteen agreements submitted during this and the previous year, as well as one amended agreement, were signed by March 31, 1982. Estimated costs for these agreements and the dates they were signed are given in the following table:

Construction Agreements Signed

during the year ending March 31, 1982

Municipality	Date Agreement Signed	Estimated Capital Cost of Project
Birtle (Town)	February 15, 1982	$ 413,000
*Carman (Town) (Amendment No. 1)	September 3, 1981	1,712,676
Grandview (Town)	August 12, 1981	63,700
Hamiota (Village)	July 20, 1981	14,000
Harrison (RM) (Sandy Lake)	June 8, 1981	47,000
MacDonald (RM) (La Salle)	April 8, 1981	452,000
MacDonald (RM) (Starbuck)	August 14, 1981	38,850
Montcalm (RM) (St. Jean Baptiste)	July 21, 1981	98,500
Pipestone (RM) (Reston)	November 30, 1981	58,500
Ritchot (RM) (Ritchot Drive)	August 6, 1981	172,000
Riverton (Village)	February 10, 1982	40,500
Ste. Anne (Village)	July 13, 1981	93,400
Ste. Rose du Lac (Village)	October 22, 1981	57,100
Selkirk (Town)	September 14, 1981	198,000
Shoal Lake (Village)	June 25, 1981	24,000
Stonewall (Town)	May 4, 1981	680,100
Winkler (Town)	May 26, 1981	425,000

*Federal and Provincial cost-shared agreements.

Design and Construction

Water and sewage project design and construction activity resulted in total capital expenditure of about $4.0 million. Federal grants and loans contributed under the Agricultural Service Centres Agreement were about $2.0 million with the balance $2.0 million provided by the Province.

Under the provincially funded projects, more than 100,000 cubic metres of earth were moved in constructing sewage stabilization ponds. Over 6,000 metres of sewers and 7,000 meters of watermains were constructed. In addition, approximately 1,730,000 gallons of water storage capacities were provided in the form of reservoirs.

Projects Substantially Completed Were:

Ashern	– Lift station modifications
	– Waste stabilization pond expansion
*Carman	– Water treatment plant expansion
Grunthal	– Water and sewer extensions
	– Lift station modifications
Hamiota	– Lift station modifications
	– Forcemain Replacement
Lac du Bonnet	– Water Storage Reservoir
Manitou	– Pumphouse and water treatment plant modifications
Morris	– Pumphouse modifications
	– Water storage reservoir
*Neepawa	– Water storage reservoir (elevated tank)

Portage la Prairie	– Sewage treatment plant (deep shaft)
Rapid City	– Wells
St. Pierre-Jolys	– Lift station modifications
	– Forcemain replacement
	– Waste stabilization pond expansion
Winnipeg Beach	– Waste stabilization pond
Winkler	– Water supply extensions
	– Well field expansion

Projects Under Design or Construction at Year end were:

Birtle	– Lift station upgrading
	– Water treatment plant upgrading
	– Reservoir pumphouse
	– Watermain renewals
	– Water and sewer main extensions
	– Second river crossing of water mains
Glenboro	– Sewer extensions
	– Waste stabilization pond expansion
Grandview	– Waste stabilization pond expansion
	– Forcemain replacement
	– Water supply pipeline
	– *Water reservoir (dugout)
La Salle	– Waste stabilization pond
	– Low pressure sewage collection system
Neepawa	– Water distribution line replacement
Rapid City	– Water treatment plant
	– Water and sewer extensions
Reston	– Water and sewer extensions
	– Lift station
Ritchot Drive	– Sewer mains
	– Lift Station
Roblin	– Fire pump
Russell	– Waste stabilization pond expansion
	– Forcemain
Selkirk	– Sewage treatment plant modifications
Shoal Lake	– Lift station modifications
Somerset	– Forcemain replacement
	– Waste stabilization pond expansion
Stonewall	– Water and sewer lines
Tyndall	– Waste stabilization pond
	– Low pressure sewage collection system
Winkler	– Well pump control system

Under the Canada-Manitoba Northland Agreement, the Board provided feasibility studies, pre-design, design and construction management services for water and sewerage systems for communities under the jurisdiction of the provincial Department of Northern Affairs. Capital projects included the completion of previous projects as well as many new projects and studies with a total expenditure under the northern water and sewer program of $1.6 million.

Projects under this program were:

Aghaming	– Water pumphouse
Berens River	– Water distribution line
South	– Pumphouse modifications
Camperville	– Water and sewer extensions
Cormorant	– Water and sewage truck garage
Cross Lake	– Water and sewage mains
Crane River	– Water and sewer extensions
Manigotagan	– Two (2) water pumphouses
	– Water supply lines
Norway House	– Design of sewer and water systems
Wabowden	– Water and sewer mains

Operations and Maintenance

Water shortages recurred in Southern Manitoba during the early summer of 1981 due to lack of winter snow cover and spring rains. There was some water rationing as a result.

The winter of 1981-82 created unusual problems in Gilbert Plains and Ste. Rose du Lac where the rivers supplying the water plants froze solid upstream of the intake pipes. Contingency plans were made to truck water from nearby towns, but fortunately spring breakup made this unnecessary.

Water rate increases were approved for nine communities. Effective April 1, 1982 the rate increases were:

Elm Creek to $4.55
Miami to $2.20
Plum Coulee to $5.45
Rossburn to $3.30
St. Claude to $3.45
Ste. Rose du Lac to $3.00
Somerset to $2.30
Altona's base rate of $2.10 remains in effect, with the reduced rate rising to $1.60
Winkler to $2.50 effective July 1, 1982

The Board now operates forty-six water plants, Altona included, with thirty being at the subsidized level of $3.45.

Sale of Water

Town or Municipality	Consumption 1981/82	Consumption 1980/81	Percent Change	April 1/82 Selling Price 1000 I.G.	Type of Treatment
Altona (T)	78,848,000	74,243,130	+ 6	$2.10	Lime soda softening, fluoridation
Argyle (RM)	4,909,000	5,254,000	— 7	3.45	Iron removal, fluoridation
Benito (V)	7,451,000	6,331,000	+ 18	3.45	Iron removal
Blanshard (RM) (Oak River)	2,849,000	2,961,000	— 4	3.45	Iron removal
Bowsman (V)	4,679,000	4,568,000	+ 2	3.45	Iron removal
Cartier (RM) (Elie)	6,335,000	6,309,000	0	3.45	Zeolite softening
Cartwright (V)	6,461,000	6,612,000	— 2	3.45	Zeolite softening
Consol (LGD) (Cranberry Portage)	133,000	154,000	— 14	*0.13	Chlorination
Deloraine (T)	17,140,000	16,182,000	+ 6	3.45	Lime soda softening, fluoridation
Erickson (V)	8,643,000	9,002,000	— 4	3.45	Zeolite softening, fluoridation
Ethelbert (V)	5,157,000	4,892,000	+ 5	3.45	Iron removal
Franklin (RM) (Dominion City)	6,635,000	7,616,000	— 13	3.45	Zeolite softening
Gilbert Plains (V)	12,349,000	11,565,000	+ 7	3.45	Lime soda softening
Gretna (V)	10,866,790	9,531,850	+ 14	2.10	Lime soda softening, fluoridation
Grey (RM)	1,149,000	422,000	+ 172	1.00	None
Grey (RM) (Elm Creek)	3,555,000	3,237,000	+ 10	4.55	Zeolite softening
Hamiota (V)	12,808,000	12,237,000	+ 5	3.45	Lime soda softening, fluoridation
Hanover (RM) (Grunthal)	11,752,000	11,817,000	— 1	1.00	Chlorination
Harrison (RM) (Sandy Lake)	4,329,000	4,428,000	— 2	3.45	Iron removal
Lac du Bonnet (V)	31,557,000	38,582,000	— 18	0.50	Coagulation, sedimentation
Lorne (RM) (Swan Lake)	23,923	20,765	+ 15	*0.42	Chlorination
Manitou (V)	14,262,000	15,019,000	— 5	3.45	Lime soda softening, fluoridation
McCreary (V)	13,248,000	12,368,000	+ 7	3.45	Iron removal, fluoridation
Minitonas (V)	5,940,000	5,603,000	+ 6	3.45	Reverse Osmosis
Montcalm (RM) (Letellier)	6,801,000	5,490,000	+ 24	3.45	Lime soda softening
(St. Jean Baptiste)	11,968,000	10,693,000	+ 12	3.45	Lime soda softening
Mountain (LGD) (Birch River)	4,809,000	5,198,000	— 7	2.08	Chlorination
Notre Dame de Lourdes (V)	10,495,000	11,011,000	— 5	1.00	Chlorination
Pilot Mound (V)	16,828,000	16,091,000	+ 5	3.45	Lime soda softening, fluoridation
Pipestone (RM) (Reston)	11,454,000	11,686,000	— 2	3.15	Iron removal, fluoridation
Plum Coulee (V)	8,453,000	8,545,000	— 1	5.45	Lime soda softening
Rhineland (RM)	5,912,000	5,323,910	+ 11	2.10	Lime soda softening, fluoridation

Sale of Water (continued)

Town or Municipality	Consumption 1981/82	Consumption 1980/81	Percent Change	April 1/82 Selling Price 1000 I.G.	Type of Treatment
Ritchot (RM) (Ste. Agathe)	4,399,000	4,550,000	— 3	3.45	Chlorination
Rosedale (RM) (Kelwood)	2,073,000	2,686,000	— 23	3.45	Chlorination
Rossburn (V)	15,310,000	13,147,000	+ 16	3.30	Zeolite softening, fluoridation
Russell (T)	30,388,000	27,015,000	+ 12	3.45	Lime soda softening
Silver Creek (RM) (Angusville)	2,039,000	1,831,000	+ 11	3.45	Iron removal
Somerset (V)	8,702,000	8,664,000	0	2.30	Chlorination
Ste. Rose du Lac (V)	20,223,000	21,449,000	— 6	3.00	Lime soda softening
St. Claude (V)	10,130,000	10,172,000	0	3.45	Chlorination
Shellmouth (RM) (Inglis)	2,376,000	2,412,000	— 1	3.45	Iron removal
Stonewall (T)	33,300,000	40,394,000	— 18	0.50	Chlorination
Strathclair (RM) (Strathclair)	5,908,400	5,250,000	+ 13	3.45	Zeolite softening
Strathcona (RM) (Belmont)	4,005,000	4,110,000	— 3	3.45	Iron removal
Thompson (RM) (Miami)	5,345,000	6,040,000	— 12	2.20	Iron removal
Victoria (RM) (Holland)	6,119,000	6,027,000	+ 2	3.45	Iron removal
Winchester (RM)	3,065,000	1,835,000	+ 67	0.50	None
Winkler (T)	115,752,000	113,950,000	+ 2	2.15	Lime soda softening, fluoridation
Winnipegosis (V)	12,581,000	12,408,000	+ 1	3.45	Lime soda softening
Woodworth (RM) (Kenton)	3,317,000	3,397,000	— 2	3.45	Sedimentation, coagulation

*Price per cubic meter

PROVINCE OF MANITOBA
PROVINCIAL AUDITOR

The Manitoba Water Services Board
Auditor's Report

I report that the financial statements of The Manitoba Water Services Board have been examined under my direction for the fiscal year ended March 31, 1982. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, the financial statements, being Exhibits A, B, C, D, and Schedules 1, 2 and 3, together with the notes thereto, present fairly the financial position of The Manitoba Water Services Board as at March 31, 1982 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

W.K. Ziprick, C.A.,
Provincial Auditor.

October 25, 1982,
Winnipeg, Manitoba.

Exhibit A

The Manitoba Water Services Board

Balance Sheet

as at March 31, 1982
(with 1981 figures for comparison)

Assets

	1982	1981
Current assets:		
Cash on hand and on deposit with the Minister of Finance	$ 41,018	$ 217,688
Accounts receivable	197,638	337,925
Grant receivable from the Government of the Province of Manitoba		
— subsidization of constructions costs	239,822	248,356
— other	—	11,650
Accrued interest	672,000	666,487
Prepaid expenses	31,530	49,544
	1,182,008	1,531,650
Debentures receivable from municipalities, Schedule 1 (Note 1b))	14,207,636	14,337,108
Construction in progress recoverable from municipalities and the Government of the Province of Manitoba (Note 2)	2,619,262	3,884,525
Fixed assets:		
Works, at cost		
Land and easements	80,977	80,977
Buildings and equipment	5,563,641	5,563,641
	5,644,618	5,644,618
Less: Accumulated depreciation	3,133,380	2,941,585
	2,511,238	2,703,033
Accumulated excess of operating expenditures over revenues, recoverable, Exhibit C	3,882,607	3,948,239
Amortized interest recoverable	78,388	108,100
Total	$24,481,139	$26,512,655

Approved on behalf of the Board:

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Liabilities

	1982	1981
Current liabilities:		
Accounts payable and accrued charges	$ 960,871	$ 1,283,553
Capital debt, Schedule 3: (Note 1b))		
Advances from the Government of the Province of Manitoba	15,668,052	17,350,335
Advances and debentures — Canada Mortgage and Housing Corporation (Note 5)	2,920,943	2,947,494
Bonds	5,977,000	5,977,000
	24,565,995	26,274,829
Less sinking fund:		
Cash on deposit with the Minister of Finance	157,635	131,022
Investments, at cost, Schedule 2	888,092	914,705
	1,045,727	1,045,727
	23,520,268	25,229,102
Total	$24,481,139	$26,512,655

Exhibit B

The Manitoba Water Services Board

Statement of Operating Revenues and Expenditures

for the year ended March 31, 1982
(with 1981 figures for comparison)

	1982	1981
Revenues:		
Sale of water	$1,595,827	$1,562,428
Interest:		
Municipalities	2,044,724	1,292,004
Sinking funds and funds on deposit	160,983	103,750
Grant from the Government of the Province of Manitoba — subsidization of water rates	475,181	344,767
	4,276,715	3,302,949
Expenditures:		
Interest:		
Advances	2,363,953	1,943,373
Bonds and debentures	623,496	624,491
Audit and other fees	22,788	13,036
Chemicals	321,910	323,287
Depreciation	191,795	195,689
Salaries and benefits	542,933	478,497
Heat, telephone, light and power	227,490	194,610
Repairs and maintenance	157,852	200,282
Water purchased for resale	136,700	106,311
	4,588,917	4,079,576
Less: Expenditures applied to construction	340,309	717,029
	4,248,608	3,362,547
Excess of operating revenues over expenditures, recoverable, Exhibit C	$ 28,107	$ (59,598)

The Manitoba Water Services Board

Statement of Accumulated Excess of Operating Expenditures over Revenues, Recoverable (Note 3)

for the year ended March 31, 1982
(with 1981 figures for comparison)

	1982	1981
Balance, beginning of year	$3,948,239	$3,888,641
Add: Refund of excess revenues over operating expenditures	3,929	–
Excess of operating expenditures over revenues, recoverable, Exhibit B	–	59,598
	3,952,168	3,948,239
Deduct: Excess of operating revenues over expenditures, recoverable, Exhibit B	28,107	–
Recovery of accumulated excess of operating expenditures over revenues by arrangement with certain municipalities	41,454	–
	69,561	–
Balance, end of year, Exhibit A	$3,882,607	$3,948,239

Exhibit D

The Manitoba Water Services Board

Statement of Changes in Financial Position

for the year ended March 31, 1982
(with 1981 figures for comparison)

	1982	1981
Source of Funds:		
From operations:		
Excess of operating revenues over expenditures, recoverable, Exhibit B	$ 28,107	$ (59,598)
Add, non-cash transactions:		
Depreciation	191,795	195,689
Amortization of sinking fund bond discount	29,712	(11,044)
	249,614	125,047
The Government of the Province of Manitoba:		
Grants — subsidization of construction costs	1,922,708	2,900,652
Construction expenditure recoveries	—	11,650
Canada Mortgage and Housing Corporation:		
Grants — subsidization of construction costs	—	94,400
Municipalities:		
Debenture principal repayments	302,941	237,056
Construction expenditure recoveries	3,447,574	705,231
The Government of Canada:		
Construction expenditure recoveries	—	28,806
Recovery of excess of accumulated operating expenditures over revenues	41,454	—
	5,964,291	4,102,842
Application of Funds:		
Construction of facilities for municipalities	4,278,488	7,090,789
The Government of the Province of Manitoba:		
Advances, net	1,682,283	(2,497,747)
Canada Mortgage and Housing Corporation:		
Advances, net	26,551	(347,503)
Purchase of fixed assets	—	3,796
Refund of excess revenues over operating expenditures	3,929	—
Sinking fund payments, net	—	48,763
	5,991,251	4,298,098
Decrease in working capital	26,960	195,256
Working capital beginning of year	248,097	443,353
Working capital end of year	$ 221,137	$ 248,097

The Manitoba Water Services Board

Schedule of Debentures Receivable from Municipalities

as at March 31, 1982

Municipality	Number of Debentures	Term	Interest Rates %	Balance
Village of Arborg	5	October 31, 1982-2000	9.25-13.75	$ 195,686
Village of Benito	1	October 31, 1982-1998	9.8	10,845
Village of Binscarth	1	October 31, 1982-1998	11.25	36,732
Rural Municipality of Birtle	2	October 31, 1982-2000	11.25-13.75	154,038
Town of Birtle	1	October 31, 1982-2000	18.875	65,801
Town of Carman	3	October 31, 1982-1999	9.0-11.25	222,224
Rural Municipality of Cartier	1	October 31, 1982-1995	10.95	136,687
Rural Municipality of Coldwell	2	October 31, 1982-1996	9.8-10.95	145,920
Local Government District of Consol	1	October 31, 1982-1996	9.8	59,709
Town of Dauphin	2	October 31, 1982-1996	9.8-10.95	469,940
Town of Deloraine	3	October 31, 1982-2000	9.8-13.75	98,985
Rural Municipality of East St. Paul	3	October 31, 1982-1997	9.0-10.95	158,846
Town of Emerson	3	October 31, 1982-2000	9.8-13.75	50,223
Village of Erickson	1	October 31, 1982-1994	9.25	6,590
Rural Municipality of Eriksdale	1	October 31, 1982-1996	9.8	7,466
Village of Ethelbert	1	October 31, 1982-1989	11.25	9,234
Village of Gilbert Plains	2	October 31, 1982-1995	9.25-10.95	105,776
Town of Gimli	1	October 31, 1982-2000	13.75	95,132
Town of Grandview	6	October 31, 1982-2000	9.0-13.75	134,134
Village of Gretna	3	October 31, 1982-1995	9.8-11.25	35,595
Rural Municipality of Grey	2	October 31, 1982-2000	11.25-13.75	382,747
Village of Hamiota	1	October 31, 1982-2000	13.75	19,175
Rural Municipality of Hanover	9	October 31, 1982-2000	9.0-13.75	589,663
Town of Hartney	1	December 31, 1982-1988	6.645	139,090
Village of Lac du Bonnet	1	October 31, 1982-1997	9.5	275,701
Rural Municipality of Lorne	4	October 31, 1982-2000	9.8-13.75	347,659
Rural Municipality of Macdonald	7	October 31, 1982-2001	9.0-18.78	281,921
Village of MacGregor	1	October 31, 1982-2000	13.75	22,694
Village of Manitou	2	October 31, 1982-1998	9.0-11.25	88,080
Village of McCreary	3	October 31, 1982-1998	9.8-11.25	29,432
Town of Minnedosa	4	October 31, 1982-2000	9.8-13.75	195,721
Rural Municipality of Miniota	1	October 31, 1982-1996	9.8	14,653
Village of Minitonas	1	October 31, 1982-1999	11.25	91,765
Town of Morris	2	October 31, 1982-1998	9.0-9.8	160,893
Local Government District of Mountain	2	October 31, 1982-1997	9.0-9.8	141,235
Town of Neepawa	2	October 31, 1982-2000	9.8-13.75	333,452
Rural Municipality of North Norfolk	3	October 31, 1982-1996	9.25-10.95	117,089
Village of Notre Dame de Lourdes	3	October 31, 1982-1995	9.25-10.95	69,016
Rural Municipality of Pembina	1	October 31, 1982-1989	11.25	9,710
Village of Pilot Mound	1	October 31, 1982-2000	13.75	22,838
Rural Municipality of Pipestone	2	October 31, 1982-2000	11.25-13.75	48,027
Village of Plum Coulee	4	October 31, 1982-2000	9.0-13.75	279,311
City of Portage la Prairie	6	October 31, 1982-2000	9.0-13.75	1,831,778
Rural Municipality of Portage la Prairie	2	October 31, 1982-1995	9.25-10.95	114,048
Carried forward	108			$ 7,805,261

The Manitoba Water Services Board

Schedule of Debentures Receivable from Municipalities

as at March 31, 1982

Municipality	Number of Debentures	Term	Interest Rates %	Balance
Brought Forward	108			$ 7,805,261
Town of Rapid City	1	October 31, 1982-1998	9.8	13,629
Rural Municipality of Ritchot	6	October 31, 1982-2000	9.8-13.75	121,890
Rural Municipality of Riverside	2	October 31, 1982-2000	11.25-13.75	171,458
Village of Riverton	4	October 31, 1982-1998	9.0-10.95	231,302
Town of Roblin	2	October 31, 1982-2000	11.25-13.75	306,443
Village of Rossburn	5	October 31, 1982-2000	9.0-13.75	86,109
Village of Ste. Anne	2	October 31, 1982-1996	9.8-11.25	66,757
Village of St. Claude	3	October 31, 1982-1998	9.8-10.95	55,362
Village of Ste. Rose du Lac	4	October 31, 1982-1997	9.0-10.95	75,264
Town of Selkirk	6	October 31, 1982-2000	9.0-13.75	1,325,612
Village of Shoal Lake	1	October 31, 1982-2000	13.75	168,598
Town of Souris	3	October 31, 1982-1998	9.0-9.8	529,658
Town of Steinbach	3	October 31, 1982-1997	9.0-10.95	91,926
Town of Stonewall	2	October 31, 1982-2006	9.8-10.95	910,329
Rural Municipality of Strathclair	1	October 31, 1982-1988	9.8	37,394
Rural Municipality of Strathcona	2	October 31, 1982-2000	11.25-13.75	45,754
Local Government District of Stuartburn	3	October 31, 1982-2000	9.8-13.75	175,059
Town of Swan River	3	October 31, 1982-1997	9.0-10.95	577,785
Rural Municipality of Tache	3	October 31, 1982-1998	9.0-10.95	29,292
Village of Teulon	1	October 31, 1982-2006	8.0	367,142
Rural Municipality of Thompson	1	October 31, 1982-1996	9.8	146,660
Village of Treherne	2	October 31, 1982-1996	9.8-11.25	156,711
Town of Virden	3	October 31, 1982-1998	9.8-13.75	374,593
Community of Wabowden (Note 2)	1			229,236
Village of Waskada	1	October 31, 1982-1988	9.25	1,632
Village of Wawanesa	2	October 31, 1982-2000	11.25-13.75	49,928
Town of Winkler	1	October 31, 1982-1996	9.8	23,321
Town of Winnipeg Beach	2	October 31, 1982-2000	11.25-13.75	33,531
	178			$14,207,636

The Manitoba Water Services Board

Schedule of Sinking Fund Investments

as at March 31, 1982

Particulars	Interest Rate %	Maturity Date	Par Value	Cost
Debentures:				
Manitoba Hydro Electric Board	6	August 30, 1982	$ 241,000	$214,409
Manitoba Hydro Electric Board	5 1/2	October 1, 1982	131,000	110,756
Manitoba Hydro Electric Board	5 1/2	November 15, 1982	53,000	44,661
Manitoba Hydro Electric Board	6	April 15, 1992	285,000	182,866
Manitoba Hydro Electric Board	8 1/4	August 31, 1992	184,000	154,989
Manitoba Hydro Electric Board	8 3/8	August 1, 1998	94,000	65,841
Manitoba Hydro Electric Board	8 3/8	December 17, 1998	20,000	13,324
Manitoba Telephone System	5 1/2	November 15, 1983	26,000	21,045
Manitoba Telephone System	7	February 15, 1993	114,000	80,201
			$1,148,000	$888,092

The Manitoba Water Services Board

Schedule of Capital Debt

as at March 31, 1982
(with 1981 figures for comparison)

	1982	1981
Advances from the Government of the Province of Manitoba:		
9% payable annually October 31, 1982-1997	$ 1,830,882	$ 1,881,777
9.8% payable annually October 31, 1982-1998	1,992,499	2,038,092
11.25% payable annually October 31, 1982-1999	1,957,904	1,991,958
9.25% payable annually March 31, 1983-2004	1,550,290	1,618,596
9.8% payable annually October 31, 1982-2006	1,569,411	1,610,650
9.4% payable annually October 31, 1982-2007	41,094	41,472
13.75% payable annually October 31, 1982-2000	3,654,310	3,696,128
18.875% payable annually October 31, 1982-2001	173,468	–
Other	2,898,194	4,471,662
	15,668,052	17,350,335
Canada Mortgage and Housing Corporation:		
Advances repayable or convertible to debentures on completion of projects	462,037	414,875
Debentures:		
7 7/8% payable annually August 1, 1982-1994	82,425	85,967
8% payable annually December 1, 1982-1995	60,615	62,903
8% payable annually January 1, 1983-1996	36,594	37,975
8% payable annually January 1, 1983-1996	46,868	48,637
8% payable annually February 1, 1983-1996	49,796	51,675
10% payable annually February 1, 1983-1996	91,600	94,516
10 3/8% payable annually January 1, 1983-1996	118,427	122,077
10 3/8% payable annually January 1, 1983-1996	26,111	26,916
10 3/8% payable annually February 1, 1983-1996	86,851	89,528
10 3/8% payable annually February 1, 1983-1996	56,951	58,706
10 3/8% payable annually February 1, 1983-1996	66,548	68,599
10 3/8% payable annually February 1, 1983-1996	135,427	139,601
10 3/8% payable annually December 1, 1982-1996	130,790	134,325
10 3/4% payable annually August 1, 1982-1996	60,510	62,090
10 3/4% payable annually December 1, 1982-1996	36,653	37,609
10 3/4% payable annually December 1, 1982-1996	16,722	17,158
8% payable annually April 1, 1982-1997	14,260	14,740
8% payable annually July 1, 1982-1997	807,940	832,243
10% payable annually July 1, 1982-1997	31,233	32,004
10% payable annually July 1, 1982-1997	21,761	22,299
10 3/8% payable annually April 1, 1982-1997	129,930	133,442
10 3/8% payable annually April 1, 1982-1997	115,160	118,273
10 3/4% payable annually July 1, 1982-1997	161,681	165,385
9 5/8% payable annually February 1, 1983-1998	74,053	75,951
	2,920,943	2,947,494
Bonds:		
Canada Pension Plan Investment Fund, subject to prior redemption, guaranteed as to principal and interest by the Government of the Province of Manitoba:		
5.42% bonds due April 1, 1986	2,954,000	2,954,000
7.26% bonds due June 2, 1989	3,023,000	3,023,000
	5,977,000	5,977,000
	$24,565,995	$26,274,829

The Manitoba Water Services Board

Notes to Financial Statements

for the year ended March 31, 1982

1. SIGNIFICANT ACCOUNTING POLICIES

a) Cash on deposit with the Minister of Finance

In accordance with the procedures followed by the Province, the Board's disbursement account was held open until April 20, 1982 for the payment of accounts for liabilities incurred during the fiscal year ended March 31, 1982.

b) Capital debt financing

The board obtained capital debt financing at fixed interest rates in accordance with approved repayment schedules of advances from the Government of the Province of Manitoba and of debentures payable to Canada Mortgage and Housing Corporation. In turn the Board received cash payments or obtained debentures from municipalities for their share of capitalized costs for plant construction. The debentures were issued in amounts and at fixed interest rates sufficient to discharge the municipalities' share of the corresponding capital debt financing provided by the Government of the Province of Manitoba and Canada Mortgage and Housing Corporation.

c) Accumulated excess of operating expenditures over revenues, recoverable

The accumulated excess of operating expenditures over revenues, recoverable, shown on the balance sheet pertains to plants operated under the following terms:

(A) Plants owned and operated by the Board with cost recovery over a 35 year life. These plants were constructed prior to 1972 under The Manitoba Water Supply Board Act. The Act was amended in 1972 and became known as The Manitoba Water Services Board Act with no further additions under this program. The amended Act provides for grants for rate stabilization by the Province.

(B) The plants operated by the Board under agreements with municipalities which were constructed since 1972 under The Manitoba Water Services Board Act.

d) Administration costs

The costs related to the administration and general operation of the Board are paid out of an appropriation of the Department of Agriculture.

e) Pension costs

The employees of the Board, who are paid salaries out of the appropriation of the Department of Agriculture (Note 1 d)), are civil servants and pensionable under the Civil Service Superannuation Fund, to which they contribute at prescribed rates. The Government of the Province of Manitoba is required to pay 50% of the Fund's pension disbursements made to retired employees from its appropriations. No provision is made in the Board's accounts to fund current or past service obligations.

f) Northern projects

As of June 30, 1979 the responsibility for the construction of water and sewer services for northern communities was transferred to The Manitoba Water Services Board. Construction costs related thereto for the year ended March 31, 1982 totalled $1,590,255 (1981 -$1,328,734) and were paid out of an appropriation of the Department of Agriculture. Administrative costs in connection with the above construction were also paid out of an appropriation of the Department of Agriculture.

The Manitoba Water Services Board

Notes to Financial Statements

for the year ended March 31, 1982

2. CONSTRUCTION IN PROGRESS RECOVERABLE FROM MUNICIPALITIES AND THE GOVERNMENT OF THE PROVINCE OF MANITOBA

The transactions in this account were as follows:

	March 31	
	1982	1981
Balance at beginning of year	$3,884,525	$ 4,187,569
Add: Construction during the year, Exhibit D	4,278,488	7,090,789
	8,163,013	11,278,358
Less: Recoveries during the year		
Municipalities:		
Cash payments received, Exhibit D	3,447,574	705,231
Debentures received	173,469	3,653,094
	3,621,043	4,358,325
The Government of the Province of Manitoba, Exhibit D:		
Grants — subsidization of construction costs	1,922,708	2,900,652
Construction expenditure recoveries	—	11,650
	1,922,708	2,912,302
Canada Mortgage and Housing Corporation, Exhibit D:		
Grants — subsidization of construction costs	—	94,400
The Government of Canada, Exhibit D:		
Construction expenditure recoveries	—	28,806
	5,543,751	7,393,833
Balance at end of year, Exhibit A	$2,619,262	$ 3,884,525

3. PLANTS OWNED AND/OR OPERATED BY THE BOARD:

The details of plants operated under A and B as explained in note 1 c) are set out below:

	March 31			
	1982		1981	
	No.	Amount	No.	Amount
Plants operated under A - owned and operated by the Board:				
Plants with an accumulated excess of operating expenditures over revenues, recoverable	36	$3,902,040	36	3,934,667
Plants with an accumulated excess of operating revenues over expenditures	1	33,375	1	35,824
	37	3,868,665	37	3,898,843

The Manitoba Water Services Board Act requires the Board to fix rates for each plant to recover costs pertaining to the services supplied taking into account grants for rate stabilization provided by the Province of Manitoba to those plants constructed under The Manitoba Water Supply Board Act. The rates set by the Board and approved by the Province are in accordance with tables maintained by the Board which indicate a return of full capital costs and

The Manitoba Water Services Board

Notes to Financial Statements

for the year ended March 31, 1982

operating deficits based on a 35 year operating life. For the year ended March 31, 1982 rate stabilization grants totalling $475,181 were paid in respect of the operations of 28 of the plants constructed under The Manitoba Water Supply Board Act (1981, $344,767 respecting 27 plants).

	March 31			
	1982		1981	
	No.	Amount	No.	Amount
Plants operated under B - operated by the Board for municipalities:				
Plants with an accumulated excess of operating expenditures over revenues, recoverable	4	40,912	6	77,571
Plants with an accumulated excess of operating revenues over expenditures	5	26,970	4	28,175
	9	13,942	10	49,396
Totals under A and B	46	$3,882,607	47	$3,948,239

4. AGREEMENT, COMMUNITY OF WABOWDEN

Because of the legal status of the Community of Wabowden, the Board has entered into an agreement, in lieu of a debenture, with the Minister of the Department of Northern Affairs who is acting on behalf of the Community. The agreement provides for the recovery of the capitalized costs and interest in accordance with a repayment schedule over a twenty year period ending August 1, 1995.

5. ADVANCES – CANADA MORTGAGE AND HOUSING CORPORATION

Advances from Canada Mortgage and Housing Corporation are made on approved projects to The Manitoba Water Services Board on the basis of up to two-thirds of the approved costs of projects under construction. The advances made by Canada Mortgage and Housing Corporation are eligible for forgiveness to the extent of 25% of the principal amount of the loan, and 25% of the interest that has accrued in respect of loan advances to the date of completion of the project. Long term debt financing is being provided by the Province and Canada Mortgage and Housing Corporation financing during construction is repaid.

6. CAPITAL AUTHORITY

The Legislature has authorized the borrowing and expanding of monies for municipal sewer and water systems. The unexpended amounts as at March 31, 1982 are as follows:

Legislative Authority	Unexpended balance as at March 31, 1982
The Loan Act 1977	$ 300,000
The Loan Act 1978	4,200,000
The Loan Act 1979	2,318,000
The Loan Act 1981	1,500,000
	$8,318,000

The Manitoba Water Services Board

Notes to Financial Statements

for the year ended March 31, 1982

7. COMMITMENTS

The Board has signed agreements and offers for the construction of sewer and water systems for municipalities which amount to $13,789,000 as at March 31, 1982 (1981 - $9,332,000). Of this amount, $5,551,000 (1981 - $3,279,000) is expected to be funded by the Government of the Province of Manitoba grants for the subsidization of construction costs with the balance of $8,238,000 (1981 - $6,053,000) to be funded from the Board's Capital Authority (Note 6) which will be repayable by municipalities through debentures (Note 1b)) or cash payments.

8. LITIGATION

The Board is involved in a civil suit with regard to one of its sewer projects. As a result of the Board's claim for damages a counter suit has been filed by one of the contractors claiming damages from the Board totalling $199,000. There has been no provision in the financial statements for such claim.

9. DISPUTED CLAIMS

The Board has received a claim from a contractor and a claim from the project manager for additional work allegedly performed on another of its sewer projects totalling $487,000. To date, the Board has not accepted liability for the extra charges and accordingly there is also no provision in the financial statements for these claims.